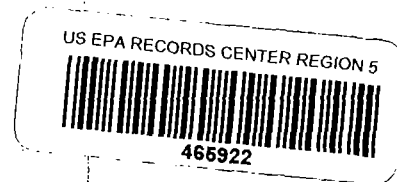


KOA SPEER ELECTRONICS, INC.

October 21, 2003



United States Environmental Protection Agency
Region 5
77 West Jackson Blvd.
Chicago, IL 60604-3590

Attention: Mr. Thomas Nash (Mail Drop C-14J)
Associate Regional Counsel

Re: Chemical Recovery Systems Superfund Site
in Elyria, Ohio De Minimis Settlements

Dear Mr. Nash:

I am writing this letter after speaking with Ms. Margaret Herring, from your office, in order to summarize our conversation and to clarify KOA Speer Electronics, Inc.'s (KSE) position in regard to the inclusion as a party to the Superfund litigation pertaining to the Elyria, Ohio site. The best way for me to accomplish this is to provide you with a time line and brief description of KSE's history.

1950's

In the mid 1950's, Airco, Inc. created a resistor manufacturing operation (Airco Speer Electronics Division) that was located in Bradford, Pennsylvania. This manufacturing facility was in operation (approximately 900 employees) from the mid 1950's until 1975/1976 when Airco decided to move its resistor manufacturing operation to Singapore. At that time, Airco moved all of the production equipment to Singapore and Airco decided to sell its electronics division.

(Side note) The British Oxygen Company, Ltd. (BOC), a company organized in the United Kingdom, acquired a 35% equity interest in Airco, Inc. in 1974. In 1978, BOC acquired the remaining 65% interest in Airco, Inc. This, of course, included the electronics division. To the best of our knowledge, the US headquarters of BOC Gases is today located at:

575 Mountain Avenue
Murray Hill, NJ 07974-2082

Telephone: 1-908-464-8100

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November 26, 1979

In November of 1979, "Speer Resistors, Inc." was incorporated in the Commonwealth of Pennsylvania (see Exhibit A attached hereto).

March 1980

In March of 1980, the Articles of Incorporation of Speer Resistors, Inc. were amended to change the name of the company to "KOA Speer Electronics, Inc." (see Exhibit B attached hereto).

March 31, 1980

In March of 1980, Airco, Inc. sold certain assets of Airco Speer Electronics Division (the "electronics division") to KOA Speer Electronics, Inc. and certain assets to Jeffers Electronics, Inc., an Arizona corporation (Jeffers). Among the assets sold to Jeffers was the warehouse facility located in Bradford, Pennsylvania. Among the assets sold to KSE were product inventory and personal property used in connection with Airco's distribution of electronics products. KSE then took a lease from Jeffers of the warehouse located in Bradford, Pennsylvania.

I have included a copy of a portion of the KSE corporate minute book, which pertains to the approval of the KSE Board of Directors to this transaction (see Exhibit C attached hereto).

From 1980 to Present

Since the Spring of 1980, KSE has conducted business as a distribution center of electronics products, particularly products manufactured in the Far East. In particular, KSE has served as the marketing arm of KOA Denko (now known as KOA Corporation), a Japanese company, which manufactures resistors and other electronics products in Japan and ships them to KSE for distribution. KSE has solely operated as a distribution operation. It has never operated as a manufacturing facility.

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Summary

I trust that this short "history lesson" will help show that KOA Speer Electronics, Inc. is not the company responsible for the 1,447 gallons of Dirty Inventory processed at the Elyria, Ohio site. This conclusion is obvious for the following reasons:

- (i) KSE is not related to "Airco Speer Electronics". "Airco Speer Electronics" was a Division of Airco, Inc. Therefore, any references to "Airco Speer Electronics" in the books and records of the former operator of the Superfund site relate to Airco, Inc., not to KSE.
- (ii) The Dirty Inventory in question was delivered to the Superfund site prior to 1980. KSE was not incorporated until November 26, 1979 and KSE did not commence operations until the Spring of 1980. There is no possibility that KSE could have delivered the Dirty Inventory to the Superfund site.
- (iii) KSE, since its inception, has operated solely as an electronics distribution facility and warehouse. KSE has never operated as a manufacturing operation for resistors or otherwise.

Accordingly, we request that the name KOA Speer Electronics, Inc. be removed from your PRP listing and that all records showing "f/k/a Airco Speer Electronics" be corrected to show we are not related to the Airco, Inc. operations.

Should you have further questions or require additional information, I can be reached at (814) 362-5536, ext. 239, fax number (814) 362-6449 or by e-mail at tconklin@koaspeer.com.

Thank you in advance for your attention to this matter. I remain

Sincerely,

Thomas W. Conklin

Thomas W. Conklin
Comptroller
KOA Speer Electronics, Inc.

Enclosures (see Exhibits A, B & C)

Exhibits

Exhibit A - Articles of Incorporation of "Speer Resistor, Inc." filed with the Secretary of the State of the Commonwealth of Pennsylvania on November 26, 1979.

Exhibit B - Amendment to Articles of Incorporation changing the name of the company from "Speer Resistor, Inc." to "KOA Speer Electronics, Inc.". The Amendment was filed with the Secretary of the State of the Commonwealth of Pennsylvania on March 25, 1980.

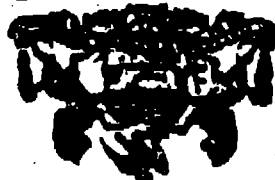
Exhibit C - Minutes of the Meeting of the Board of Directors of KSE held on March 27, 1980 at which time the execution of the Agreement of Purchase was approved pursuant to which KSE purchased certain assets of the Airco Speer Electronics Division of Airco, Inc.

EXHIBIT A

1436 79:59

Commonwealth of Pennsylvania

Department of State



697224

Do All to whom these presents shall come, Greeting:

Whereas, Under the provisions of the Business Corporation Law, approved the 5th day of May, Anno Domini one thousand nine hundred and thirty-three, P. L. 354, as amended, the Department of State is authorized and required to issue a

CERTIFICATE OF INCORPORATION

evidencing the incorporation of a business corporation organized under the terms of that law, and

Whereas, The stipulations and conditions of that law have been fully complied with by the persons desiring to incorporate as

EVERETT RESTON, INC.

Therefore, I, **Arthur H. ...**, That subject to the Constitution of this Commonwealth and under the authority of the Business Corporation Law, I do by these presents, which I have caused to be sealed with the Great Seal of the Commonwealth, create, erect, and incorporate the incorporation of and the subscribers to the shares of the proposed corporation named above, their association and successors, and also those who may hereafter become subscribers or holders of the shares of such corporation, into a body politic and corporate in deed and in law by the name chosen hereinafter specified, which shall exist perpetually and shall be invested with and have and enjoy all the powers, privileges, and franchises incident to a business corporation and be subject to all the duties, requirements, and restrictions specified and enjoined in and by the Business Corporation Law and all other applicable laws of this Commonwealth.

GIVEN under my Hand and the Great Seal of the Commonwealth, at the City of Harrisburg, this 26th day of November, in the year of our Lord one thousand nine hundred and seventy-nine and of the Commonwealth the two hundred and fourth

Thomas D. ...

Acting Secretary of the Commonwealth

SSC-6CL-200 (Rev. 8-72)

Pricing Fee: \$75
AIB-7

79:59 1434

697224

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
CORPORATION BUREAU

Commonwealth of Pennsylvania
Department of State

William D. Shaw

Acting
Secretary of the Commonwealth

Articles of
Incorporation-
Domestic Business Corporation

In compliance with the requirements of section 294 of the Business Corporation Law, act of May 3, 1933 (P. L. 364 (15 P. S. 51204) the undersigned, desiring to be incorporated as a business corporation, hereby certifies (certify) that

1. The name of the corporation is:

Spicer Resistor, Inc.

2. The location and post office address of the initial registered office of the corporation in this Commonwealth is:

P. O. Box 547, Bolivar Drive

Bradford

Pennsylvania

16701

3. The corporation is incorporated under the Business Corporation Law of the Commonwealth of Pennsylvania for the following purpose or purposes:

To engage in the transaction of any or all lawful purpose for which corporations may be incorporated under the provisions of the Business Corporation Law of the Commonwealth of Pennsylvania including the distribution and marketing of electronic components.

4. The term for which the corporation is to exist is: perpetual

5. The aggregate number of shares which the corporation shall have authority to issue is:

1,000 shares of common stock with a par value of \$1.00 per share.

The Corporation may not issue shares, option rights, or securities having option rights, without first offering them to shareholders.

6. The name(s) and post office address(es) of each incorporator(s) and the number and class of shares subscribed by each incorporator(s) is (are):

NAME	ADDRESS (including street and number, if any)	NUMBER AND CLASS OF SHARES
Richard A. Clark	900 Oliver Building Pittsburgh, PA 15222	1 share - common

IN TESTIMONY WHEREOF, the incorporator(s) has (have) signed and sealed these Articles of Incorporation this

12th day of November, 1979.

(SEAL) Richard A. Clark (SEAL)
Richard A. Clark, Incorporator

(SEAL)

NOV 23 1979

STATE

INSTRUCTIONS FOR COMPLETION OF FORM:

- For general instructions relating to the incorporation of business corporations see 19 Pa. Code Ch. 35 (relating to business corporations generally). These instructions relate to such matters as corporate name, stated purpose, term of existence, authorized share structure and related authority of the board of directors, inclusion of names of first directors in the Articles of Incorporation, optional provisions on cumulative voting for election of directors, etc.
- One or more corporations or natural persons of full age may incorporate a business corporation.
- Optional provisions required or authorized by law may be added as Paragraphs 7, 8, 9 ... etc.
- The following shall accompany this form:
 - Three copies of Form DSCB:BCL-706 (Rights of Shareholders: Domestic or Foreign Business Corporation).
 - Any necessary copies of Form DSCB:17.2 (Consent to Appropriation of Name) or Form DSCB:17.3 (Consent to Use of Similar Name).
 - Any necessary governmental approvals.
- BCL 5305 (15 Pa. S. 21205) requires that the incorporator shall advertise their intention to file or the corporation shall advertise the filing of articles of incorporation. Proof of publication of such advertising should not be delivered to the Department, but should be filed with the minutes of the corporation.

80-19 970

Commonwealth of Pennsylvania



698744

Department of State

To All to Whom These Presents Shall Come, Greeting:

Whereas, In and by Article VIII of the Business Corporation Law, approved the 15th day of May, Anno Domini one thousand nine hundred and thirty-three, P. L. 364, as amended, the Department of State is authorized and required to issue a

CERTIFICATE OF AMENDMENT

evidencing the amendment of the Articles of Incorporation of a business corporation organized under or subject to the provisions of that Law, and

Whereas, The stipulations and conditions of that Law pertaining to the amendment of Articles of Incorporation have been fully complied with by

SPEER RESISTOR, INC.

NAME changed to

KDA SPEER ELECTRONICS, INC.

Therefore, Know Ye, That subject to the Constitution of this Commonwealth and under the authority of the Business Corporation Law, I do by these presents, which I have caused to be sealed with the Great Seal of the Commonwealth, extend the rights and powers of the corporation named above, in accordance with the terms and provisions of the Articles of Amendment presented by it to the Department of State, with full power and authority to use and enjoy such rights and powers, subject to all the provisions and restrictions of the Business Corporation Law and all other applicable laws of this Commonwealth.

Given under my Hand and the Great Seal of the Commonwealth, at the City of Harrisburg this 25th day of March, 1980, in the year of our Lord one thousand nine hundred and eighty and of the Commonwealth the two hundred and fourth.

Secretary of the Commonwealth

MINUTES OF MEETING OF BOARD OF DIRECTORS OF
KOA SPEER ELECTRONICS, INC.

MARCH 27, 1980

"EXHIBIT C"

Recitation of Authority

1. A special meeting of the Board of Directors of Koa Speer Electronics, Inc., ("the Corporation"), a Pennsylvania corporation was held at 9:00 a.m. on March 27, 1980 at New York, New York; all Directors of the Corporation having signed a written waiver of notice of such meeting, which waivers have been filed with the corporate records and are hereby made a part of the minutes of this meeting.

Quorum

2. The Directors present at such meeting were Lester Rice, K. Mukaiyama, and K. Miyata, constituting a quorum of the authorized number of Directors of the Corporation.

Chairman and Secretary

3. On motion duly made, K. Miyata was elected to act as Chairman of the meeting and Lester Rice was elected to act as Secretary of the meeting. Both parties accepted the elections and acted in their respective capacities.

Ratification and Approval of Prior Acts

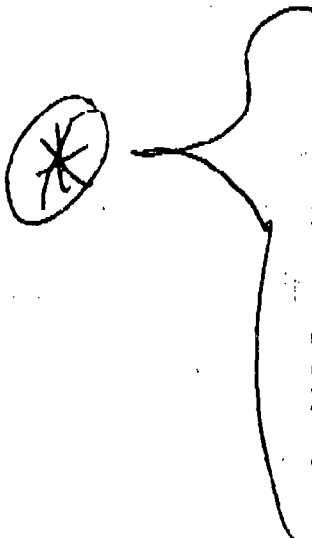
4. The Written Actions by the sole Shareholder and the sole Director dated December 19, 1979 and March 27, 1980 were read to those present and there being no objections, corrections, or modifications, on motion duly made, seconded and affirmed by a

unanimous vote of all of the Directors present, the following resolution was adopted:

RESOLVED, That all proceedings by the sole Director and sole Shareholder since the incorporation of the Corporation, all acts taken by the initial Director, Shareholder or the initial officers of the Corporation and all expenses incurred in connection with the incorporation and organization of the Corporation are hereby ratified and approved in all respects.

Adoption of Resolutions

5. A statement was then made by the Chairman regarding a proposed Agreement between Airco, Inc., a Delaware corporation, and the Corporation. After a discussion was held among the Directors, it was duly motioned, seconded and affirmed by a unanimous vote of the Directors present, that the following resolutions be adopted:



RESOLVED, That the Agreement of Purchase between Airco, Inc. ("Airco"), a Delaware corporation, Koa Denko Co., Ltd. ("Koa"), and the Corporation, dated as of March 31, 1980 ("Agreement"), in which the corporation purchases certain assets of Airco Speer Electronics Division, is hereby ratified, approved and adopted on behalf of this Corporation; and further

RESOLVED, That the proper officers of the Corporation are hereby authorized to execute, on behalf of the Corporation, the Agreement by and between the Corporation, Airco, and Koa in the form presented; said authorization being conditioned on the Agreement as executed being in form and substance acceptable to counsel; and further

RESOLVED, That the proper officers of the Corporation are hereby authorized and directed to take all such further action and to execute and deliver any and all appropriate instruments and documents in the name and on behalf of the Corporation and under its corporate seal or otherwise to pay all such expenses as shall in their judgment be necessary, proper or advisable in order to fully carry out the intent and effectuate the purposes of the foregoing resolutions.

6. A statement was then made by the Chairman regarding the proposed Lease Agreement between Jeffers Electronics, Inc. and the Corporation. After a discussion was held among the Directors, it was duly motioned, seconded and affirmed by a unanimous vote of the Directors present, that the following resolutions be adopted:

RESOLVED, That the Lease Agreement between Jeffers Electronics, Inc. ("Jeffers"), an Arizona corporation, and the Corporation dated as of March 31, 1980 is hereby ratified, approved and adopted on behalf of this Corporation; and further

RESOLVED, That the proper officers of the Corporation are hereby authorized to execute on behalf of the Corporation the Lease Agreement by and between Jeffers and the Corporation in the form presented; said authorization being conditioned on the Agreement as executed, being in form and substance acceptable to counsel; and further

RESOLVED, That the proper officers of the Corporation are hereby authorized and directed to take all such further action and to execute and deliver any and all appropriate instruments and documents in the name and on behalf of the Corporation and under its corporate seal or otherwise, to pay all such expenses as shall in their judgment be necessary, proper or advisable in order to fully carry out the intent and effectuate the purposes of the foregoing resolutions.

OCT 21 2003 9:07AM

KOA SPEER

AIRCO

NO. 415

KOA SPEER ELECTRONICS, INC.

Bolivar Drive, P.O. Box 547, Bradford, PA 16761

Facsimile Cover Sheet

To: *Ms. Margaret Herring*
Company: *United States Environmental Protection Agency*
Phone: *(312) 886-6239*
Fax: *(312) 886-6064*

From: *Tom Conklin*
Company: *KOA Speer Electronics*
Phone: *(814) 362-5536 - Ext. 239*
Fax: *(814) 362-6449*

Date: *Tuesday, October 14, 2003*
No. of Page: *12 (including cover page)*

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Dear Margaret,

It was a pleasure talking with you on Friday. I have attached all the necessary documentation to support our telephone conversation.

Thanks again for all your help. Please let me know if you have any questions.

Regards,

Tom